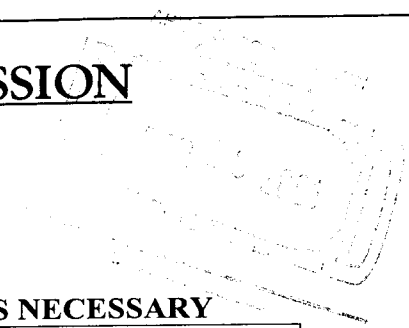


4-17-01
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

S

W-01790A WATER
SAGUARO WATER COMPANY
2200 E RIVER ROAD SUITE 115
TUCSON AZ 85718-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
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FOR COMMISSION USE

ANN 04	00
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COMPANY INFORMATION

Company Name (Business Name) Saguaro Water Company

Mailing Address 2200 East River Road, Suite 115

(Street)

Tucson

(City)

Arizona

(State)

85718

(Zip)

(520) 577-2616

Telephone No. (Include Area Code)

(520) 299-5602

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address same as above

(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Diane Davis Manager

(Name)

(Title)

2200 East River Road, Suite 115

(Street)

Tucson

(City)

Arizona

(State)

85718

(Zip)

(520) 577-2616

Telephone No. (Include Area Code)

(520) 299-5602

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Chris Monson

(Name)

2200 East River Road, Suite 115

(Street)

Tucson

(City)

Arizona

(State)

85718

(Zip)

(520) 577-2616

Telephone No. (Include Area Code)

(520) 299-5602

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Robert Fortuno
(Name)
2200 East River Road, Suite 115 Tucson Arizona 85718
(Street) (City) (State) (Zip)
(520) 577-2616 (520) 299-5602
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Michael McNulty - Brown & Bain
(Name)
Post Office Box 2265 Tucson Arizona 85702-2265
(Street) (City) (State) (Zip)
(520) 798-7900 (520) 798-5468
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:


- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

Saguaro Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	29,256	23,060	6,196
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	8,928	2,976	5,952
311	Pumping Equipment	65,550	34,322	31,228
320	Water Treatment Equipment	25	25	0
330	Distribution Reservoirs and Standpipes	466,463	101,884	364,579
331	Transmission and Distribution Mains	25,550	25,142	408
333	Services	1,176	1,160	16
334	Meters and Meter Installations	16,058	5,009	11,049
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	250	250	0
	TOTALS	613,256	193,828	419,428

This amount goes on the Balance Sheet Acct. No. 108 

COMPANY NAME

Saguaro Water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	29,256	5.0%	1,463
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	8,928	5.0%	446
311	Pumping Equipment	65,550	5.0%	3,057
320	Water Treatment Equipment	25	5.0%	1
330	Distribution Reservoirs and Standpipes	466,463	5.0%	21,959
331	Transmission and Distribution Mains	25,550	5.0%	1,278
333	Services	1,176	5.0%	59
334	Meters and Meter Installations	16,058	5.0% & 4.0%	698
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	250	5.0%	13
	TOTALS	613,256		28,974

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 7,890	\$ 3,188
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	6,292	12,084
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	28,278	28,278
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 42,460	\$ 43,550
	FIXED ASSETS		
101	Utility Plant in Service	\$ 693,700	\$ 613,257
103	Property Held for Future Use	56,000	56,000
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	164,854	193,828
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 584,846	\$ 475,429
	TOTAL ASSETS	\$ 627,306	\$ 518,979

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 17,778	\$ 175
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	220	695
236	Accrued Taxes	2,119	2,675
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 20,117	\$ 3,545
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 199,000	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	19,554	19,554
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 19,554	\$ 19,554
	TOTAL LIABILITIES	\$ 238,671	\$ 23,099
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 102,100	\$ 102,100
211	Paid in Capital in Excess of Par Value	167,327	281,327
215	Retained Earnings	119,208	112,453
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 388,635	\$ 495,880
	TOTAL LIABILITIES AND CAPITAL	\$ 627,306	\$ 518,979

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 59,253	\$ 70,291
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 59,253	\$ 70,291
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	2,934	4,727
618	Chemicals		
620	Repairs and Maintenance	15,814	20,092
621	Office Supplies and Expense	422	368
630	Outside Services	8,016	11,247
635	Water Testing	2,600	3,085
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	1,421	2,201
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	656	693
403	Depreciation Expense	24,407	28,974
408	Taxes Other Than Income	2,557	3,320
408.11	Property Taxes	3,756	4,750
409	Income Tax	100	50
	TOTAL OPERATING EXPENSES	\$ 62,683	\$ 79,507
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		2,500
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		39
	TOTAL OTHER INCOME/EXP	\$ 0	\$ 2,461
	NET INCOME/(LOSS)	\$ (3,430)	\$ (6,755)

COMPANY NAME

Saguaro Water Company

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$

Meter Deposits Refunded During the Test Year \$ _____

COMPANY NAME Saguaro Water Company

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-617996	50	355	10	
55-540941	30	190	12	

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 15,259,000

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15hp	1		
50hp	3		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
500,000	1	5,000	3

STATISTICAL INFORMATION

Total number of customers	150	
Total number of gallons sold	11,099,260	gallons

COMPANY NAME Saguaro Water Company **YEAR ENDING 12/31/2000**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 4,253.28

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Saguaro Water Company

YEAR ENDING 12/31/2000

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(2,751)</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>(2,701)</u>
Estimated or Actual State Tax Liability	<u>50</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATUREApril 12, 2001

DATE

Robert A. Fortuno
PRINTED NAMEApril 12, 2001

TITLE

COMPANY NAME Saguaro Water Company **YEAR ENDING 12/31/2000**

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 4,253.28

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pima
NAME (OWNER OR OFFICIAL) TITLE Robert A. Fortuno Secretary
COMPANY NAME Saguaro Water Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 70,291

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ _____
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL
(520) 577-0200

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

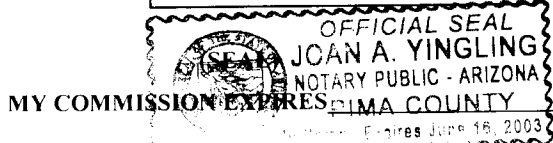
12th

DAY OF

COUNTY NAME	Pima	
MONTH	April	20 01



SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Robert A. Fortuno	TITLE Secretary
COMPANY NAME Saguaro Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 70,291

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

X 
SIGNATURE OF OWNER OR OFFICIAL

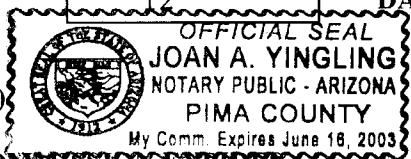
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12 **DAY OF**

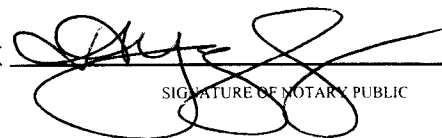
(SEAL)

MY COMMISSION EXPIRES



6/16/2003

NOTARY PUBLIC NAME Joan A. Yingling	
COUNTY NAME Pima	
MONTH April	YEAR . 20 01

X 
SIGNATURE OF NOTARY PUBLIC

VENDOR ID: KIRK JAMES LEE K

INVOICE #
1ST 1/2'00 RE TXS
681000 2,375.14

INV DATE
10/23/00

INV AMT
2,375.14

2351
AMT PAID
2,375.14

10/23/00
COMMENT
#205-74-046E9 & #205-74-03487

2,375.14

SAGUARO WATER COMPANY

2200 EAST RIVER ROAD, SUITE 115
TUCSON, ARIZONA 85718

BANK ONE, ARIZONA, NA
RIVER - CAMPBELL OFF. (159)
P.O. BOX 41000
TUCSON, AZ 85717

91-2
1221

DATE	CHECK NO.	AMOUNT
10/23/00	2351	\$*****2,375.14

*** Two Thousand Three Hundred Seventy Five & 14/100 ***

PAY
TO THE
ORDER OF

JAMES LEE KIRK
PIMA COUNTY TREASURER
115 N. CHURCH AVENUE
TUCSON, AZ 85701

**VENDOR FILE COPY
NOT NEGOTIABLE**

⑈002351⑈ ⑆122100024⑆ 2891⑈4357⑈

VENDOR ID: KIRK
INVOICE #
2ND 1/2 1999 RE TA
681000 1,878.14

JAMES LEE KIRK

INV DATE
04/24/00

INV AMT
1,878.14

2294

04/24/00

1,878.14

AMT PAID
1,878.14

COMMENT
MISC PARCELS

SAGUARO WATER COMPANY

2200 EAST RIVER ROAD, SUITE 115
TUCSON, ARIZONA 85718

BANK ONE, ARIZONA, NA
RIVER - CAMPBELL OFF. (159)
P.O. BOX 41000
TUCSON, AZ 85717

91-2
1221

DATE	CHECK NO.	AMOUNT
04/24/00	2294	\$*****1,878.14

*** One Thousand Eight Hundred Seventy Eight & 14/100 ***

PAY
TO THE
ORDER OF

JAMES LEE KIRK
PIMA COUNTY TREASURER
115 N. CHURCH AVENUE
TUCSON, AZ 85701

**VENDOR FILE COPY
NOT NEGOTIABLE**

⑈002294⑈ ⑆122100024⑆ 2891⑈4357⑈